

STATE OF VERMONT  
PUBLIC SERVICE BOARD

Docket No. 7123

Joint Petition of Telecom Management, Inc.,       )  
and Adelphia Telecommunications, Inc., for       )  
Approval of a Sale of Assets                        )

Order entered: 1/5/2006

**I. INTRODUCTION**

On October 25, 2005, Telecom Management, Inc., d/b/a Pioneer Telephone ("Telecom Management"), and Adelphia Telecommunications, Inc. ("Adelphia")(together the "Petitioners"), filed a Telecommunications Merger and/or Acquisition Request for Approval Form ("Petition") requesting authority from the Vermont Public Service Board ("Board"), pursuant to 30 V.S.A. § 109, for a sale of assets of Adelphia to Telecom Management pursuant to a Chapter 11 Bankruptcy Court Order. On December 6, 2005, the Vermont Department of Public Service ("Department") filed a letter with the Board recommending the Board approve the transaction because it would not detrimentally impact Vermont consumers or cause them inconvenience or confusion. The Department further recommended the Board approve the Petition without further investigation or hearing.

The Board has reviewed the Petition and the accompanying documents and agrees that approval should be granted without hearing.

**II. FINDINGS OF FACT**

Based upon the Petition and accompanying documents, we hereby make the following findings of fact.

1. Telecom Management is authorized to provide telecommunications services in Vermont pursuant to a Certificate of Public Good (CPG No. 783) issued on October 6, 2004. Petition at 1.

2. Adelphia is authorized to provide telecommunications services in Vermont pursuant to a Certificate of Public Good (CPG No. 361) issued on July 21, 1998. Petition at 1.

3. Pursuant to an Asset Purchase Agreement ("Agreement") approved by the United

States Bankruptcy court for the Southern District of New York, Telecom Management will acquire substantially all of the long distance telecommunications assets of Adelphia in Vermont. Petition at 1 and Attachment.

4. No changes to the rates and services offered to Adelphia's customers are contemplated. Telecom Management will incorporate such rates, terms and conditions into its tariffs by separate filing. Adelphia customers will also be given the opportunity to switch service to another provider. Accordingly, the transaction will not cause any inconvenience for Vermont consumers. Petition at 1 and Attachment.

5. The proposed transaction will allow Adelphia's customers to continue to receive uninterrupted service at the same rates, terms and conditions, thereby, promoting the public interest. Petition at 3.

### **III. DISCUSSION**

The proposed transaction requires approval by the Board under 30 V.S.A. § 109. The statutes condition approval of a merger or sale upon a finding that the merger or sale of assets will promote the public good (30 V.S.A. § 109). These standards are met in this case.

Pursuant to 30 V.S.A. § 109, "a foreign corporation subject to the jurisdiction of the [Board], shall not make a sale . . . in any one calendar year constituting ten percent or more of the company's property located within this state . . . nor merge nor consolidate . . ." without approval of the Board. In order to approve the sale of assets, the Board must first find that it will "promote the general good of the state." 30 V.S.A. § 109.

After reviewing the Petition, we conclude that 30 V.S.A § 109 applies to the sale of assets of Adelphia, which is a certificated telecommunications carrier in Vermont. We further conclude that the asset sale to Telecom Management will not cause undue inconvenience for Vermont customers and allow Adelphia's customers to continue uninterrupted service. The sale of assets, therefore, will promote the public good. For all of these reasons, we conclude that the proposed transaction meets the standards set forth in 30 V.S.A. § 109 and should be approved.

### **IV. CONCLUSIONS**

The sale of assets of Adelphia should be approved because the transaction will promote the public good of the State of Vermont and will not result in obstructing or preventing competition. 30 V.S.A. § 109.

**V. ORDER**

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Public Service Board of the State of Vermont that:

1. The sale of assets of Adelphia Telecommunications, Inc. to Telecom Management, Inc., will promote the public good and, therefore, is approved.
2. Petitioners shall file a letter notifying the Board of the completion of the transaction within one week of such completion.
3. Telecom Management, Inc., shall file a tariff incorporating the rates, terms and conditions currently included in Adelphia Telecommunications, Inc.'s tariff, within 30 days following the completion of the transaction.
4. A Certificate of Consent to the sale of assets of Adelphia Telecommunications, Inc. to Telecom Management, Inc., shall be issued.

Dated at Montpelier, Vermont, this 5<sup>th</sup> day of January, 2006.

<u>s/James Volz</u>	)	
	)	PUBLIC SERVICE
	)	
<u>s/David C. Coen</u>	)	BOARD
	)	
	)	OF VERMONT
<u>s/John D. Burke</u>	)	

OFFICE OF THE CLERK

Filed: January 5, 2006

Attest: s/Susan M. Hudson  
Clerk of the Board

*NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: Clerk@psb.state.vt.us).*

*Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.*